

134.551 Refund to purchaser of certificate of delinquency that is unenforceable or declared void -- Reassessment of property. (Effective January 1, 2010)

- (1) If a certificate of delinquency or personal property certificate of delinquency held by an individual is declared void by a court of competent jurisdiction because of the irregularity of taxing officers, the amount for which the certificate was issued shall be refunded by the state, county, and taxing districts on a pro rata basis. If a school district or county is unable to make the refund currently when requested, it shall be given preference from the next year's revenue. The application for refund must be made within one (1) year after the judgment. The property covered by the void certificate shall be assessed immediately as omitted property and the tax bill shall be payable as soon as prepared.
- (2)
 - (a) If a certificate of delinquency held by a third-party purchaser who paid the certificate of delinquency to the county clerk is unenforceable because it is a duplicate certificate of delinquency, because the tax liability represented by the certificate of delinquency was satisfied prior to the purchase of the certificate of delinquency, or because all or a portion of the certificate of delinquency is exonerated, the third-party purchaser may apply to the county clerk for a refund.
 - (b) The application for refund shall include written proof that one (1) of the situations described in paragraph (a) of this subsection exists with regard to the certificate of delinquency for which a refund is sought.
 - (c)
 1. Upon acceptance and approval of the application for refund, the county clerk shall approve a refund of the amount paid to the county clerk by the third-party purchaser in satisfaction of the certificate of delinquency.
 2. Amounts refunded to the third-party purchaser shall be deducted from amounts in the hands of the county clerk due to the state, county, taxing districts, sheriff, county attorney, and the county clerk on a pro rata basis, if the county clerk has sufficient funds in his or her hands to make the refund.
 3. If the county clerk does not have sufficient funds to make the refund at the time the refund is approved, the county clerk may either:
 - a. Retain the approved refund claim in his or her office and make the refund payment as soon as he or she has sufficient funds in his or her hands to make the refund payment; or
 - b. Provide a signed letter to the person to whom payment is due, which includes the amount due from each taxing jurisdiction or fee office, and which directs each taxing jurisdiction or fee official to pay to the person the amount due and owing from that taxing jurisdiction or fee official as reflected in the letter.
 4. The county clerk shall document his or her records to reflect the action taken in response to an approved refund.
 - (d) Any third-party purchaser who receives a refund pursuant to this section shall release any liens on the property for which the refund was received within

thirty (30) days of receiving the refund. Failure to release the lien shall subject the third-party purchaser to all of the remedies provided in KRS 382.365.

Effective: January 1, 2010

History: Amended and renumbered as KRS 134.551, 2009 Ky. Acts ch. 10, sec. 29, effective January 1, 2010. -- Amended 1982 Ky. Acts ch. 452, sec. 8, effective July 1, 1982. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4149b-11.

Formerly codified as KRS 134.520.